



CPA & CONSULTING
SERVICES, LLC

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KEDILA FAMILY LEARNING CENTER, INC.

**Accountant's Review and Attestation Reports,
With Financial Statements and
Notes To the Financial Statements**

For the Year Ended December 31, 2011

Deemer CPA and Consulting Services, LLC

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **JUN 27 2012**

Kedila Family Learning Center, Inc.
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Accountant's Review Report

To the Board of Director's of
Kedila Family Learning Center, Inc., Inc.

I have reviewed the accompanying statement of financial position of Kedila Family Learning Center, Inc., Inc. (a non-profit corporation) as of December 31, 2011, and the related statement of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of agency management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States.


Deemer CPA and Consulting Services, LLC

New Orleans, Louisiana
May 23, 2012

Kedila Family Learning Center, Inc.
Statement of Financial Position
As of December 31, 2011

Assets

Current Assets	
Cash	\$ 14,426
Grant Receivable	<u>54,424</u>
Total Current Assets	<u>68,850</u>
Fixed Assets	
Vehicles	42,996
Less: Accumulated Depreciation	<u>(25,513)</u>
Total Fixed Assets	<u>17,483</u>
Total Assets	<u><u>\$ 86,333</u></u>

Liabilities and Net Assets

Current Liabilities	
Accounts Payable & Accrued Expenses	\$ 19,586
Loans Payable	10,643
Deferred revenue	<u>29,030</u>
Total Current Liabilities	59,259

Net Assets

Property	17,483
Unrestricted	<u>9,591</u>
Total Net Assets	<u>27,074</u>
Total Liabilities and Net Assets	<u><u>\$ 86,333</u></u>

The accompanying notes are an integral part of these financial statements

Kedila Family Learning Center, Inc.
Statement of Activities
For the Year Ended December 31, 2011

	<u>Unrestricted</u>
Revenues and Other Support	
Governmental Grants	\$ 357,536
Foundations and Corporate Grants	54,850
Program Income	<u>1,445</u>
Total Revenues and Other Support	<u>\$ 413,831</u>
Expenditures	
Program Services	\$ 439,520
Support Services	<u>6,921</u>
Total Expenditures	<u>446,441</u>
Change in Net Assets	\$ (32,610)
Net Assets At Beginning Of Year	<u>42,201</u>
Net Assets At End Of Year	<u>\$ 9,591</u>

The accompanying notes are an integral part of these financial statements.

Kedila Family Learning Center, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2011

Cash Flows From Operating Activities:

Changes in Net Assets	\$ (32,610)
Adjustments to Reconcile Net Revenues over Expenditures	
to Net Cash Provided by Operating Activities	
Changes in Operating Assets and Liabilities	

Grant Receivable	27,824
Prepaid Expense	74
Accounts Payable & Accrued Expenses	(27,026)
Salaries Payable	(10,235)
Deferred Revenue	29,030
Credit Card Payable	<u>(97)</u>

Net Cash Provided by Operating Activities	(13,040)
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Cash Flows From Investing Activities:

Purchase of Real Property and Improvements	<u>0</u>
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Net Cash Used in Investing Activities	0
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Cash Flows From Financing Activities:

Loan Repayment	10,643
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Net Cash Provided by Financing Activities	<u>10,643</u>
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Net Cash Decrease for Period	(2,397)
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Cash, At Beginning of Period January 1, 2011	<u>16,823</u>
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Cash, At End of Period December 31, 2011	<u><u>\$ 14,426</u></u>
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The accompanying notes are an integral part of these financial statements.

Kedila Family Learning Center, Inc.
Notes to the Financial Statements
For the Year Ended December 31, 2011

1. Summary of Significant Accounting Policies

General - Kedila Family Learning Center, Inc (KFLC) is committed to providing education, training, affordable and safe housing and support services to the constituents it serves. KFLC's mission and vision is to provide hope to those who are left behind as they continue with their daily struggles. KFLC prides itself as an organization where "*The Journey to Learning Begins*" by providing the following programs: After School Remediation and Enrichment; Summer Camps, Teen Pregnancy Prevention, Child Abuse Prevention, Mentoring, YouthBuild, (a Skilled Job Training for young adults between ages 16-30 years old that did not complete high school) as well as basic computer training; and serve as a resource center for the community.

Basis of Accounting – Kedila's financial statements are prepared on the accrual basis of accounting, whereby revenue is recorded when earned and expenses are recorded when incurred.

Property and Equipment – Improvements which significantly extend the useful life of an asset and purchases of buildings, land, and equipment are capitalized. The straight line method of depreciation is used for the assets owned by Kedila. The estimated useful lives of these assets range from 3 to 40 years.

Income Taxes – Kedila has been determined to be tax exempt under Section 501 (c) 3 of the Internal Revenue Code. Therefore, no provision for income taxes is made in the accompanying financial statements.

Use of Estimates- The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

Functional Expenses – Expenses are charged to each program based on direct expenditures incurred. Any expenditure not directly chargeable is allocated to a program based on management's estimates.

Cash - Cash is comprised of cash on hand and in banks.

2. Net Assets

A description of the three types of Net Assets categories is described below:

Unrestricted net assets are comprised of funds without donor-imposed restrictions. The revenues received by Kedila and expenses incurred are included in this category.

Temporarily restricted net assets include income, gifts, and contributions which have temporary restrictions that have not been met.

Permanently restricted net assets include income, gifts, and contributions which have donor-imposed restrictions to be invested in perpetuity and only the income from those investments can be made available for program operations.

As of December 31, 2011, Kedila had unrestricted net assets.

3. Grant Receivable

Grant receivable consists of outstanding payments of \$54,424 from the 21st Century Grant. These amounts are deemed collectible as such, there has been no adjustment made to an allowance for doubtful accounts.

4. Economic Dependency

Kedila Family Learning Center, Inc. receives its funding from government grants. The continuance of this program is dependent upon the agency's ability to gain renewal of contracts and grants as well as to obtain new funding.

5. Board of Directors Compensation

The board of directors operates on a voluntary basis, as such there were no payments made to any board member during the year ended December 31, 2011 for services.

6. Program Income

The agency has \$1,445 in program income from registration fees associated with its 21st Century program.

	Program Services				Support Services	
	Youthbuild	21st Century	Children's Trust Fund	Private Grants	Total Program Services	General & Administrative
Expenditures						
Payroll Expenses	\$ 45,437	\$ 156,439	\$ -	\$ 27,507	\$ 229,383	\$ -
Stipends	6,174	0	0	0	6,174	0
Fuel Costs	397	473	0	395	1,265	0
Rent	8,559	3,481	0	6,301	18,341	0
Utilities	3,395	0	0	1,349	4,744	0
Insurance-WC	1,209	956	0	111	2,276	0
Telephone/Internet	1,329	102	0	0	1,431	3,011
Travel	0	1,146	0	0	1,146	1,852
Education & Training	575	3,838	0	4,535	8,948	0
Program Supplies	49	21,031	218	2,523	23,821	0
Professional Membership	0	0	0	114	114	0
Office Supplies	750	311	0	3,599	4,660	0
Food Supplies	0	0	0	0	0	653
Professional Services	472	17,139	6,016	18,758	42,385	600
Payroll Service Fees	1,461	4,172	0	444	6,077	0
Equipment	0	0	0	2,097	2,097	0
Contracted Services	750	9,900	0	6,200	16,850	0
Copier Expense	115	703	0	0	818	0
Contributions	0	0	0	1,290	1,290	0
Bus Drivers	0	53,889	0	0	53,889	0
Insurance- Gen'l Liab.	0	730	0	4,529	5,259	0
Miscellaneous	0	25	0	1,782	1,807	480
Bank Service Charges	0	0	0	0	0	325
Field Trips	0	5,037	0	0	5,037	0
Vans	1,415	0	0	293	1,708	0
Total Expenditures	\$ 72,087	\$ 279,372	\$ 6,234	\$ 81,827	\$ 439,520	\$ 6,921

The accompanying notes are an integral part of these financial statements.

IS/LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Quasi-public Entities)

May 23, 2012

Deemer CPA and Consulting Services, LLC

P.O. Box 870847

New Orleans, Louisiana 70187

(Auditors)

In connection with your review of our financial statements as of December 31, 2011 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of May 23, 2012.

Federal, State, and Local Awards

We have detailed for you the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Yes ☒ No ☐

All transactions relating to federal, state, and local grants have been properly recorded within our accounting records and reported to the appropriate state, federal, and grantor officials.

Yes ☒ No ☐

The reports filed with federal, state, and local agencies are properly supported by books of original entry and supporting documentation.

Yes ☒ No ☐

We have complied with all applicable specific requirements of all federal, state, and local programs we administer, to include matters contained in the OMB Compliance Supplement, matters contained in the grant awards, eligibility requirements, activities allowed and unallowed, and reporting and budget requirements.

Yes ☒ No ☐

Open Meetings

Our meetings, as they relate to public funds, have been posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Yes ☒ No ☐

Budget

For each federal, state, and local grant we have filed with the appropriate grantor agency a comprehensive budget for those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance

Yes ☒ No ☐

Prior Year Comments

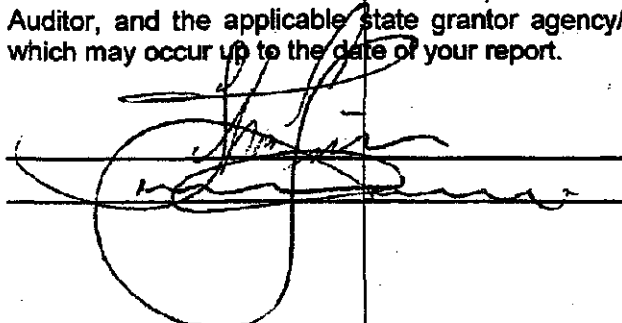
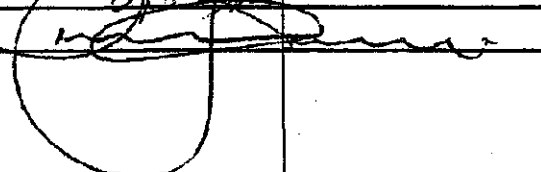
We have resolved all prior-year recommendations and/or comments.

N/A no prior year findings

Yes ☐ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the federal, state, and local grants, to include the applicable laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We will also disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance which may occur up to the date of your report.

 _____ Treasurer
 _____ 5/24/2012 Exec. Director

**ATTESTATION REPORT
(Quasi-Public Entity)**

**Independent Accountant's Report
on Applying Agreed-Upon Procedures**

To the Management of Kedila Family Learning Center, Inc.

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Kedila Family Learning Center, Inc., the Legislative Auditor, State of Louisiana, and applicable state grantor agency/agencies solely to assist the users in evaluating management's assertions about Kedila Family Learning Center, Inc.'s compliance with certain laws and regulations during the period ended December 31, 2011 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Federal, State, and Local Awards

1. Determine the amount of Federal, state and local award expenditures for the fiscal year, by grant and grant year.

Grant Source	Grant Year	Grant Expenditures 1/1/11 ~ 12/31/11
21 st Century-US Dep't Ed.	2011	279,372.00
Youthbuild-DOL	2011	72,087.00
LA Children's Trust Fund	2011	6,234.00
Total		\$357,693.00

2. For each Federal, state, and local award, I randomly selected 6 disbursements from the award administered during the period under examination.

There were three separate funding sources, from which 6 disbursements were randomly selected during the period of January 1, 2011 through December 31, 2011.

3. For the items selected in procedure 2, I attempted to trace the eighteen disbursements to supporting documentation as to proper amount and payee.

I have examined cancelled checks and/or bank statements that included each of the eighteen selected disbursements to determine whether or not the proper amount was made payable to the correct payee. There was no exception noted when performing this procedure.

4. For the items selected in procedure 2, I attempted to determine if the eighteen disbursements were properly coded to the correct fund and general ledger account.

There were no exceptions noted while performing this procedure. The eighteen disbursements selected appeared to be properly coded to the correct fund and general ledger accounts.

5. For the items selected in procedure 2, I attempted to determine whether the eighteen disbursements received approval from proper authorities.

The eighteen disbursements tested appeared to have approval from the proper authorities through review of supporting documentation and check signatures.

6. For the items selected in procedure 2: For federal, state and local awards, I determined whether the disbursements complied with the grant agreement, relating to:

Activities allowed or unallowed:

I reviewed the previously listed disbursements for types of services allowed or not allowed. The allowability requirements appeared to be met for each of the eighteen disbursements, because expenditures were included in the approved budget and appeared to coincide with the goals of the program.

Eligibility

I reviewed the previously listed disbursements for eligibility requirements. Disbursements were in accordance with the approved budget for the eighteen disbursements reviewed.

Reporting

I reviewed the previously listed disbursements for reporting requirements. The eighteen disbursements selected were reported properly.

7. For the programs selected for testing in item (2), I planned to compare the close-out report, when required, with the entity's financial records to determine whether the amounts agree.

There were no required close-out reports provided for the programs and period under examination.

Meetings

8. I examined evidence indicating that agendas for meetings recorded in the minute book were posted as an open meeting as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Management has asserted that "open meetings" documents were properly posted on the door of board meetings, and complete agendas were made available, as required. I was provided a copy of the documents that were posted which appeared to have met the open meetings LSA-RS 42:1 through 42-12 requirements.

Comprehensive Budget

9. For all grants exceeding five thousand dollars, we determined that each applicable federal, state, or local grantor agency/agency was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Kedila Family Learning Center, Inc. provided comprehensive budgets to the applicable local, state, and federal grantors for the programs mentioned previously. These budgets specified the anticipated uses of the funds, estimates of the duration of the project, and plans showing specific goals and objectives that included measures of performance.

Prior Comments and Recommendations

10. I reviewed the prior year review/attestation report for any prior-year suggestions, recommendations, and/or comments to determine the extent to which such matters have been resolved.

There were no prior year findings to review.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of the management of Kedila Family Learning Center, Inc., the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Deemer CPA and Consulting Services, LLC
May 23, 2012